

The Fifth Estate

RADIO TELEVISION CABLE SAT

C1750-1
12/1/87

Broadcasting Nov 30

**We are
the
competition.**

**ENTERTAINMENT
TONIGHT**



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57th Year 1987
**SUPERSTATIONS:
AT LARGE:**

Broadcasting **Nov 30**

Spotlight on superstations...page 47.

NBC wins prime time sweeps victory...page 53.

Dawson's Fifth Estate predictions...page 58.

SUPERSTATIONS □ Once the mainstay of cable, superstations may now be threatened by host of factors, including royalty fees, satellite fees and diminishing channel space due to proliferating services. **PAGE 47**

AFTER MIDNIGHT □ FCC generally reaffirms its stricter policy regarding indecent broadcast adopted last April, but says "indecent" programming, if preceded by warning, will be between midnight and 6 a.m. **PAGE 51.**

STILL TALKING □ Discussions between NBC and Turner Broadcasting System are continuing, exploring NBC's possible purchase of up to 25% of TBS. **PAGE 51.**

FASTEN YOUR SEATBELTS □ As she prepares to leave her FCC commissioner seat for that of deputy secretary of transportation, Mimi Weyforth Dawson shares her vision of the television system of the future—it's going to be a bumpy ride. **PAGE 55.**

THE WESTERN SHOW '87 □ Nineteenth annual Western Cable Show begins Dec. 2 in Anaheim, Calif., taking hard look at tough issues facing cable business. Preview and agenda begin on **PAGE 74.**

OPEN FOR BIDDING □ Public Broadcasting Service has invited bids for replacement of its

10-year-old satellite system, which, with large number of options included in request for bid proposals, may cost between \$40 million and \$160 million. **PAGE 82.**

LIFE AFTER NCTA □ Since leaving presidency of NCTA three years ago, Tom Wheeler has moved to entrepreneurial side of town. **PAGE 88.**

SETTING THE PACE □ Five-year industry forecasts show cable TV growing to \$15-billion business by 1991—including some \$2 billion in cable advertising. **PAGE 94.**

OFF TO A GOOD START □ Although network radio sales for 1987 are expected to be slightly off or flat compared to 1986, radio executives are optimistic about next year's advertising outlook. **PAGE 110**

FEATHER FOR THE PEACOCK □ NBC is granted one-on-one interview with Soviet leader, Mikhail Gorbachev, scheduled to air in prime time today (Nov. 30). **PAGE 118.**

BIRDS GOTTA FLY □ Kevin Sharer began his career as an engineering officer on a nuclear submarine. As president of GE Americom, he now commands the largest domestic fleet of communications satellites worldwide. **PAGE 135.**

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shakedowns rules are meant to correct, absent which, it asserts, there is insufficient information upon which to comment.

Legislation to reform comparative renewal process is pending in House and Senate, but fate of proposed measures is unclear. Latest renewal measure was offered last month by Representative Al Swift (D-Wash.) who would eliminate comparative renewal in exchange for public service obligations (BROADCASTING, Oct. 19). NAB board rejected measure when it was in draft form and now says it wants radio-only comparative renewal measure, something that appears to have little appeal on Capitol Hill.

Hill leadership has indicated that no broadcast legislation (at least any measure industry wants) will move until outcome of fairness doctrine is determined.

■ **Mergers.** Adams-Russell shareholders approved \$470-million sale to Cablevision Systems at special meeting Nov. 20. Deal is expected to close in mid-December. Cablevision will invest \$40 million in buy, with bulk of financing for deal coming from General Electric Credit Corp. GE-owned Kidder, Peabody & Co. will also provide \$125 million from private placement of senior subordinated notes.

□ Storer Television has closed on sale of first five TV stations to company 55%-held and managed by Gillett Corp., and closing on sixth station in Milwaukee is expected after license renewal in early December. FCC approved \$1.3 billion, six-station restructuring in October.

□ First quarter 1988 closing is expected for Continental Cablevision acquisition of American Cablesystems for \$481.7 million, or \$46.50 per share. Combined systems would have more than 2 million subscribers. U.S. Cable Corp., new group headed by ML Media principals, Martin Pompadour and Elton Rule, made \$233-million offer for Essex Communications, Greenwich, Conn.-based MSO with 135,000 subscribers. ML earlier bought C4 Media, Vienna, Va.-based MSO of about 65,000 subs for \$126 million.

□ Radio group broadcast Summit Communications is buying DKM Broadcasting for approximately \$200 million. Deal for DKM's eight AM-FM combinations is second-largest radio-only sale. Closing is expected in early 1988.

□ Closing is expected next February or March for Adams Communications purchase of Forward Communications' five TV stations for \$126.5 million from Wesray Capital Corp., which bought group in 1984 for \$95 million.

□ Deals called off in wake of stock market decline so far include: proposed merger of cable system operators United Artists and United Cable, and \$114-million TV station sale by United Broadcasting Corp. to ML Media Partners. Also in question is proposed sale of Storer Cable's 1.4 million-subscriber cable systems for \$2.5 billion-\$3 billion, particularly with evaporation of high-yield bond market, favored financing tool of Storer-parent Kohlberg Kravis Roberts & Co.

■ **Must-carry.** Group of cable operators, including United Cable and Daniels & Associates, have asked U.S. Court of Appeals in Washington to find FCC's new must-carry rules unconstitutional—a violation of cable operators' First Amendment rights—just as it did old rules in summer of 1985. New rules, less onerous than original ones, are product of compromise between cable and broadcasting industries.

At oral arguments before court in October, some observers felt judge's comments and questions indicated that rules might, at very least, be remanded to FCC to correct specific problems.

In House, Representative Edward Markey (D-Mass.) has introduced bill to repeal five-year sunset provision of rules that set guidelines for cable carriage of broadcast stations. Action on measure had been put on hold until Congress resolves fairness issue. Some observers say Congress is far less sympathetic to lending its support on must carry since abolition of fairness doctrine. Senate broadcast license renewal bill also would eliminate sunset. But that provision was attacked by Justice Department in letter to Senate Communications Subcommittee. Chairman Daniel Inouye (D-Hawaii). Justice argued that five-year sunset is needed to justify constitutionality of rules (BROADCASTING, Aug. 17).

However, Justice sent out conflicting signal when it filed one-sentence brief with U.S. Appeals Court on must-carry in which it indicated department was neither supporting nor opposing rules (BROADCASTING, Aug. 17).

■ **Public broadcasting.** Oversight hearings this month in both Senate Communications Subcommittee (BROADCASTING, Nov. 16) and House Telecommunications Subcommittee (BROADCASTING, Nov. 23) featured pleas from public broadcasting executives for reliable and adequate source of funding. Corporation for Public Broadcasting Chairman Howard Gutin, CPB President Donald Ledwig, Public Broadcasting Service President Bruce Christensen, PBS board member Sharon Rockefeller, National Public Radio President Douglas Bennet and host of station general managers told Congress that system works but could work better with expanded, long-term funding.

That funding could come from Senate Commerce Committee's revenue-raising package that would create Public Broadcasting Trust Fund supplied with money raised from FCC license transfer fee, although commercial broadcasters are confident that that initiative would be defeated if it came to the floor. (BROADCASTING, Nov. 16).

Replacement of satellite interconnection system is major item on agendas at both PBS and NPR, with current Western Union satellite space due to expire in 1991.

Searches for new presidents of National Association of Public Television Stations (Baryn Futa is acting president) and American Public Radio (Bruce Theriault is acting president) continue. With new CPB chairman, Gutin, and president, Donald Ledwig, in place—as well as new board members William Lee Hanley, Archie Purvis, Marshall Turner and Sheila Tate—two openings remain on CPB board; still under consideration are former Tennessee First Lady Honey Alexander (not yet official nominee) and Charles Lichenstein, latter controversial for reportedly advocating cuts in CPB funding.

■ **Scrambling.** Bill that would regulate home

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satellite marketplace was adopted by Senate Commerce Committee two weeks ago (BROADCASTING, Nov. 23). It would mandate that cable programmers permit any qualified third party—inside and outside the cable industry—to distribute their services to backyard dish owners. Major fight over bill is expected on Senate floor later this year, where Communications Subcommittee Chairman Daniel Inouye (D-Hawaii) has promised to oppose it. Controversial nature of legislation is evident by revisions accepted by Commerce and those yet to be made.

On other front, House legislation (H.R. 2848) that would permit satellite distribution of broadcast signals—superstations—to backyard dish owners, was focus of hearing two weeks ago. Broad coalition of industry groups is backing bill, however, modifications suggested by motion picture industry did not go over well at hearing and could fracture support.

Syndex. In comments to FCC, cable operators opposed and broadcasters and program pro-

ducers supported FCC proposal to reimpose rules requiring cable systems to black out syndicated programming on distant signals if it appears on local stations.

The cable industry argued that the FCC lacks jurisdiction to reimpose syndex, that absence of rules over past seven years has not harmed broadcasters and producers and that rules would violate cable operators' First Amendment rights.

Most broadcasters and producers contended that rules are needed to protect sanctity of their "exclusive" programming contracts. And, contrary to cable's claim, they say they have been hurt by cable's importation of distant signals into their markets with duplicative programming.

■ **Unions.** After two-week series of meetings between members of labor relations department of CBS and office of president of technical union, International Brotherhood of Electrical Workers, union decided to take network offer to membership for ratification vote. Offer differs

little from terms offered during October meetings with federal mediator. Among provisions of earlier offer were 3% raises for each of three years of contract and unlimited use of daily hires. Affected are 1,500 technicians at CBS-owned stations in seven cities, who have been working without contract since Sept. 30.

Directors Guild of America members have overwhelmingly ratified separate three-year staff contracts with ABC, CBS and NBC, as well as freelance contract covering about 500 additional directors at three networks. Vote at ABC was 83 to 46 in favor; CBS, 68 to 33, and NBC, 94 to 20. New staff contracts, covering news, sports and operations personnel, provide 3% across-the-board raises; minor layoffs in automated control area; and more network control over editing functions. DGA came out slightly ahead at NBC, with network providing few more bonuses in seniority, editing jurisdiction and severance pay areas. Guild members also approved pact covering low-budget theatrical feature productions, 2,155 to 144, and commercials, 2,180 to 106.

NBC takes nine in a row

Nelson	Net		AGB	Nelson	Net		AGB
1.	31./47N	Cosby Show	1.	34./52	36.	13.8/25A	20/20
2.	28.2/43N	Different World	2.	30.5/46	37.	13.7/22A	MacGyver
3.	26.4/41N	Cheers	3.	27.8/43	38.	13.7/22N	Highway to Heaven
4.	26.1/40N	Night Court	4.	26.4/42	39.	13.4/24A	Dynasty
5.	23.2/35A	Growing Pains	7.	23.1/34	40.	13.2/24C	Equalizer
6.	23.2/37C	60 Minutes	8.	22.2/34	41.	13./23N	St. Elsewhere
7.	22.8/33C	Murder, She Wrote	6.	24.5/37	42.	12.9/20N	Our House
8.	22.1/35A	Who's the Boss?	11.	21.9/34	43.	12.2/21C	Beauty and the Beast
9.	21.7/37N	Golden Girls	5.	24.5/39	44.	12./18C	Jake and the Fatman
10.	21.3/33N	Mon.Night Movies	9.	22.1/34	45.	11.6/19A	Slap Maxwell Story
11.	21.2/37A	Monday Night Football	18.	19.4/34	46.	11.6/20A	Thirtysomething
12.	20.9/32C	Sun. Night Movie	12.	21.9/35	47.	11.6/18C	Wiseguy
13.	20.3/34N	L.A. Law	19.	18.8/34	48.	11.5/19C	Cagney & Lacey
14.	19.7/30N	ALF	10.	22./32	49.	11.3/17C	Frank's Place
15.	19.2/30A	Moonlighting	21.	18.4/28	50.	11.3/18N	Year in the Life
16.	18.9/27N	Family Ties	20.	18.8/28	51.	11./19C	Law and Harry McGraw
17.	18.5/30N	Tues. Night Movie	15.	19.8/31	52.	10.9/18A	Buck James
18.	18.3/35N	Hunter	16.	19.7/35	53.	10.8/18A	I Married Dora
19.	18./31N	Amen	13.	20.8/35	54.	10.8/17C	Tour of Duty
20.	17.5/28A	Head of the Class	34.	14.6/24	55.	10.8/17C	Houston Knights
21.	17.5/29A	Perfect Strangers	32.	14.7/24	56.	10.8/18N	Rags to Riches
22.	17.5/26N	Valerie's Family	17.	19.6/28	57.	10.3/17A	Mr. Belvedere
23.	17.5/30N	227	14.	20.2/33	58.	10.3/18A	Full House
24.	16.8/27N	Miami Vice	26.	16.7/28	59.	9.8/16C	Oldest Rookie
25.	16.3/28N	Facts of Life	22.	18.1/30	60.	9.7/17N	Private Eye
26.	15.7/23A	Dolly	24.	17.7/26	61.	9.5/18A	Hotel
27.	15.7/25C	Dallas	25.	16.9/28	62.	9.3/14A	Disney Sunday Movie
28.	15.5/26C	Knots Landing	33.	14.6/27	63.	8.9/15C	CBS Saturday Movie
29.	15.5/23C	Newhart	23.	17.8/25	64.	8.7/15A	Ohara
30.	14.7/24A	Hooperman	42.	13.4/23	65.	8.4/14A	Pursuit of Happiness
31.	14.6/24C	Magnum, P.I.	36.	14.4/25	66.	7.8/15C	West 57th
32.	14.5/22N	Sun. Night Movie	29.	15.7/25	67.	6.9/11A	Sledge Hammer!
33.	14.3/21C	Designing Women	31.	15.4/22	68.	6.8/10A	Charmings
34.	14.3/21C	Kate and Allie	27.	16./23	69.	6.7/11A	Thurs. Night Movie
35.	14.2/25C	Falcon Crest	37.	14.3/27	70.	6./10A	Sable

luncheon. Speaker: Judge Kenneth Starr, U.S. Court of Appeals for D.C. Circuit. Marriott, Washington.

Jan. 22-23—Colorado Broadcasters Association winter meeting and awards banquet. Hyatt Regency Tech Center, Denver.

Jan. 23-25—Radio Advertising Bureau's eighth annual Managing Sales Conference. Hyatt Regency, Atlanta.

Jan. 24—Ninth annual ACE (Awards for Cable Excellence) Awards presentation, sponsored by National Academy of Cable Programming, on HBO.

Jan. 24-25—California Broadcasters Association radio and television management conference. Palm Springs Plaza hotel, Palm Springs, Calif.

Jan. 26-28—South Carolina Broadcasters Association winter convention. Columbia, S.C.

Jan. 29-30—Society of Motion Picture and Television Engineers 22d annual television conference. Opryland hotel, Nashville.

Jan. 30-Feb. 3—National Religious Broadcasters 45th annual convention and exposition. Sheraton Washington, Washington. Information: (201) 428-5400.

February 1988

Feb. 2-3—Arizona Cable Television Association annual meeting. Hyatt Regency, Phoenix, Ariz. Information: (602) 257-9338.

Feb. 3-7—International Radio and Television Society faculty/industry seminar. Roosevelt hotel, New York.

Feb. 4—International Radio and Television Society newsmaker luncheon. Waldorf-Astoria, New York.

Feb. 9—International Radio and Television Society "Second Tuesday" seminar. Viacom Conference Center, New York.

Feb. 10—"Success in Radio and TV Sales," session sponsored by American Women in Radio and Television, Washington chapter. National Association of

Broadcasters, Washington. Information: (202) 659-3494.

Feb. 10-12—19th annual Country Radio Seminar, sponsored by Country Radio Broadcasters Association. Opryland hotel, Nashville.

Feb. 12—Southern California Broadcasters Association 3d annual Sunny Creative Radio Awards presentation. Registry hotel, Los Angeles. Information: (213) 466-4481.

Feb. 16-17—Wisconsin Broadcasters Association annual convention and legislative reception. Madison, Wis.

Feb. 17-19—Texas Cable Show, sponsored by Texas Cable Television Association. Convention Center, San Antonio, Tex. Information: (512) 474-2082.

Feb. 18-19—Broadcast Financial Management Association board of directors meeting. Intercontinental hotel, San Diego.

Feb. 18-20—"Minorities and Communications: A Preview of the Future," conference sponsored by Howard University School of Communications. Howard Inn and Blackburn Center, Howard University campus, Washington. Information: (202) 636-7491.

Feb. 24—Federal Communications Bar Association luncheon. Speaker: Diane Killory, FCC general counsel. Marriott, Washington.

Feb. 25-28—NATPE International 25th annual convention. George Brown Convention Center, Houston.

March 1988

March 3—International Radio and Television Society

Gold Medal banquet. Recipient: CBS's *60 Minutes*. Waldorf-Astoria, New York. Information: (212) 867-6650.

March 8—International Radio and Television Society Second Tuesday seminar. Viacom Conference Center, New York. Information: (212) 867-6650.

March 9—"Issues Before the FCC: An Evening with Diane Killory," general counsel, sponsored by American Women in Radio and Television, Washington chapter. National Association of Broadcasters, Washington. Information: (202) 659-3494.

March 9-10—Association of National Advertisers television advertising workshop. Plaza hotel, New York.

March 13-15—First Amendment Congress, organized in 1979 by Jean Otto of Society of Professional Journalists, who is now with *Rocky Mountain News*. Marriott City Center hotel, Denver. Information: (303) 492-6480.

March 15—International Radio and Television Society newsmaker luncheon. Waldorf-Astoria, New York.

March 17-20—Alpha Epsilon Rho, National Broadcasting Society, national convention. Sheraton Center, New York.

March 21-23—Satellite Broadcasting and Communication Association trade show Bally's, Las Vegas. Information: (800) 654-9276.

March 22—13th annual Commendation Awards ceremony, sponsored by American Women in Radio and Television. Waldorf-Astoria, New York. Information: (202) 429-5102.

Errata

In Nov. 9 "Open Mike" letter from Robert Blauvelt, call letters of station should have been KVZX-TV Pago Pago, American Samoa, not KVSX-TV.

Douglass Knight, new manager, Central West division, Viacom Enterprises, Chicago, briefly served as Midwest account executive, Republic Pictures, Los Angeles; did not decline position with Republic as reported in Nov. 9 issue.

In Aug. 10 "Fates and Fortunes," Kathleen Mary Tucci's previous post was listed as director, creative affairs, Fred Silver Co. Tucci was director talent relations, NBC, Los Angeles, prior to her promotion to VP. She was associated with Fred Silverman Co. earlier in her career.

In Oct. 19 "Fates and Fortunes," Max Sklower was listed as VP and general manager, McKinnon Broadcasting Co.'s KOAT-TV Albuquerque, N.M. KOAT-TV is owned by Pulitzer Broadcasting Co., St. Louis.

Figures in cable equity chart (BROADCASTING, Nov. 23) should have three zeros (000) added to them. Correct subscriber figure for C-SPAN is 33.6 million.

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Vol. 113 No. 22

TOP OF THE WEEK

The Superstations

*Between a rock and a hard place,
and doing just fine*

Threat of syndicated exclusivity, saturation of cable capacity, satellite fees and copyright all add to negatives impeding growth; but they still work

The superstation, a cable industry stalwart, may have become an endangered species.

For at least a quarter of a century, distant signals imported and retransmitted by cable systems, have been a cornerstone of the wired nation.

They began regionally, with stations brought in over microwave networks or simply picked up off air to play a key role in keeping cable alive in the 1960's and early 1970's. And national satellite-delivered superstations led by Ted Turner's WTBS(TV) Atlanta (then WTCG) helped fuel cable's explosive growth over the last decade.

Nevertheless, while the number of satellite superstations available to cable systems has increased dramatically over the past year, there is mounting evidence that the tables may be turning.

For while the national superstations, laden with movies, baseball and other major sports, are still among cable's most popular services, cable operators are thinking twice about them, and especially about the new ones, for other reasons:

□ Satellite fees cable operators must pay to receive the superstations.

□ Copyright royalties they have to pay to carry them.

□ Tightening channel capacity and the proliferation of other cable services.

At the same time, the FCC is threatening to bring back the syndicated exclusivity rules, which would force operators to black out superstation programs that duplicate programs on local stations. If it does, the superstation could have no future at all.

WTBS may be the exception to the table turning. Most expect that Turner's heavy promotion and investment in programming will insure the Atlanta superstation a place on most cable systems.

Paradoxically, the number of satellite-

SuperStation
TBS
GREAT AMERICAN TELEVISION

WGN... Chicago
SuperChannel



WWOR-TV

DALLAS • FORT WORTH

KTVT
the
Super Ones

delivered superstations has risen from five to 18 over the past year. But that growth has little to do with increased demand by cable systems for distant signals. Rather, broadcast signals are being put on satellites because falling satellite transponder prices have made the birds at least as economical as terrestrial microwave networks. What's more, the two million owners of backyard earth stations have developed an appetite for broadcast signals on the birds and have shown they are willing to pay for them.

□

The era of the satellite or national superstation began in 1976 when Turner put his Atlanta independent on RCA Americom's Satcom I with the novel notion of disseminating the signal not just to cable systems in the Southeast, but to cable systems throughout the country.

To comply with FCC rules, Turner created Southern Satellite Systems to distribute the signal via satellite and sold it to Ed Taylor for \$1. Charging cable systems up to 10 cents per subscriber per month to receive the satellite feed of WTBS, Taylor and SSS prospered.

Under the corporate umbrella of Tempo Enterprises, Taylor used some of the WTBS dollars to expand into cable programming (Tempo Television) and several minor services. But its bread and butter has always been the superstation. In 1986, the fees collected from cable systems amounted to \$13 million, or 48% of Tempo's total revenue. The business is lucrative enough to attract the attention of Tele-Communications Inc., the nation's largest MSO, which agreed to pay \$46 million for the company earlier this month (BROADCASTING, Nov. 16).

WTBS's (and hence Tempo's) place in cable is relatively secure. Reaching 41.6 million homes, the superstation is the second largest service behind ESPN and is an integral part of most cable system lineups. WTBS carries the Atlanta Braves, NBA basketball, college football, plus documentary specials and films from the MGM library.

Tempo has its own TVRO package it is marketing to that universe, and it re-

ports 50,000 subscribers for its packages, which include superstations WTBS and WWOR-TV New York. That market holds some promise, Tempo officials say, but it won't have a major impact on the company's bottom line.

□

United Video was created in 1965 as a



Bliss

subsidiary of United Cable to deliver broadcast signals to cable systems via terrestrial microwave. Its reach stretched from Chicago to New Orleans and distributed 15 to 20 signals to as many as two million cable subscribers. United Video also distributed HBO via terrestrial microwave for a time in the mid-70's.

United began distributing WGN-TV Chicago to cable systems nationwide via satellite in 1978 and put WPIX-TV New York and KTVT-TV Dallas on satellite in 1984. All have baseball in common. WGN-TV carries the Chicago Cubs, WPIX the New York Yankees and KTVT the Texas Rangers. In addition, United Video has added a number of text and preview services to its lineup, including Cable Sports Tracker, EPG and EPG Jr.

Since March, United Video has been marketing the signals of WDIV-TV (NBC), WJBK-TV (CBS), WXYZ-TV (ABC) and WTVS-TV (PBS), all Detroit, to cable systems in the U.S. A Canadian company, Cancom, had been distributing those signals to cable systems in Canada for a number of years, and UV, with a back-office in place, stepped in to handle the marketing chores for those signals south of the border. Its principal business is with small cable operators in the central and eastern U.S. The signals are carried on about 100 systems, representing 150,000 subscribers. The cable systems are so small that 90% do not have the minimum revenue levels that would require them to pay fees to the Copyright Royalty Tribunal, one reason UV has gotten to 150,000 so quickly.

Roy Bliss, executive vice president and chief operating officer of United Video, says "we're making a little money" in the Detroit operation. "The returns are not that great," says Rick Maxwell, national services manager, "but neither are the liabilities," since

Cancom handles the transponder costs. UV also remits some of its revenues to Cancom.

United Video is moving aggressively into the home satellite market. Its Super-Star Connection package of its three major distant signals is being marketed for \$36 per year, or \$99 for three years. In August, WWOR was added to the mix, with the four-station package retailing for \$44 for one year. United Video added CBN on an a la carte basis on Nov. 1.

United Video Sales Manager Jack Reilly says the TVRO marketing has gone "extremely well," reporting that 190,000 TVRO homes are taking one or more superstations and noting that 50% of the sales have come through third-party packagers. "All of us are scrambling to gain control of the distribution network," he said.

□

Eastern Microwave, owned by Newhouse Broadcasting, was created in the mid-1960's to carry the signals of 16 broadcast stations to unserved areas in the Northeast. It followed SSS's and United Video's lead and put WWOR New York with its sports and movies on a satellite in 1979. The signals Eastern Microwave distributes regionally now reach between one and two million homes. WWOR, sent out over Galaxy I, reaches about two million cable homes via microwave beyond the New York market and another 10 million via satellite.

WWOR is a part of TVRO packages being offered by United Video and Tempo, and National Marketing Manager Gil Korta describes TVRO as "a nice new market we're very excited about." Korta said Eastern Microwave is talking to other packagers about including WWOR-TV in their packaging schemes. "We're moving very cautiously, just to make sure we're pricing our product fairly to these people," he said.

□

Netlink USA, now principally owned by Tele-Communications Inc., has had six Denver stations (three network affiliates, two independents and a Public Broadcasting Service affiliate) on Satcom I-R for the past year and is making the signals available to cable systems and dish owners alike. Netlink defines its cable market as the cable systems in the Mountain time zone that lack a full complement of broadcast signals or that are now receiving them by microwave through another TCI-affiliated company, Western Tele-Communications Inc. It defines its TVRO market as the homes throughout the nation that are unserved or underserved by broadcasters.

Netlink estimates that 1% of all U.S. TV homes, or upwards of one million homes, cannot receive off-air signals of network affiliates. Today, the real market is much smaller than that. Of the two million dish owners, only about 250,000 have the Videocipher II descrambler needed to receive Netlink's scrambled satellite signals.

□

Satellite Broadcast Networks, a small independent company, put three network affiliate signals on the satellite last year—WXIA-TV (NBC) Atlanta, WABC-TV (ABC) New York and WBBM-TV (CBS) Chicago—to backyard earth station owners. Its principal market is dish owners that cannot receive all three network affiliate signals. SBN is hoping that enough dish owners will be willing to pay \$50 a year to receive its three-signal package to make its service a viable business.

SBN's biggest problem today stems not from the marketplace, but from the courts. It is being sued by the broadcast networks, which are alleging that SBN's distribution of affiliate signals directly to homes is a violation of the copyright laws. SBN maintains that such distribution is covered by cable compulsory license.

□

The satellite carriers see the copyright royalties as the biggest handicap to sales. Cable systems, as a whole, are currently paying more than \$60 million a year in copyright fees to carry distant signals. (That could escalate to more than \$100 million if the copyright holders succeed in reversing a 1986 district court decision that imposes a new formula for calculating the fees.) One of the most troublesome aspects of the royalty rate schedule as it is now written is that many cable systems have to pay 3.75% of their basic cable revenues for each additional distant signal.

Because of the cable fees, says Eastern Microwave's Korta, "it doesn't seem prudent to sell signals to the cable universe right now." That has tended to freeze the levels of penetration superstations have in relation to one another. WTBS is in 41.6 million cable homes, WGN-TV in 22 million, WWOR 10 million, WPIX a little over two million and KTVT slightly under two million. Four years ago, WTBS had 27 million, WGN-TV 11 million and WWOR six million.

WWOR "is growing at a steady rate," says Korta. It is strongest in the Southeast, Florida, Texas and California. And



Liptak



Maglio

the programming future looks bright, says Korta, now that the station is owned by a major Hollywood programmer, MCA. In addition to the movies and sports (WWOR carries the New York Mets, Rangers and Knicks and Big East basketball) MCA has made major investments in programming, including the *Cosby Show*, *Kate & Allie* and *Silver Spoons*.

"It's not only copyright" that is slowing the growth of superstations," says United's Reilly, "it's a channel limitation problem. We're hopeful that the compulsory license will be perpetuated and that syndex will not be reimposed," he says. If syndex were reimposed, he believes, "it would just devastate the superstation business." But he feels that the diversity United Video has undertaken will insure the company's survival if syndex returns. And although adding other signals is a possibility, there are a number of barriers to entry, says Reilly, principally transponder costs and channel capacity.

"The superstation continues to be among the most popular offerings we have on cable systems," says Greg Liptak, group vice president, operations, Jones Intercable, ranking second only to pay services in Jones's research on customer satisfaction. The copyright fee "is absolutely the most difficult problem we have to deal with," says Liptak. One Jones system, he says, has been paying over 10% of its gross basic service revenue in copyright fees because of the number of superstations it carries, a situation Jones is reviewing. "We simply can't stand that type of price," says Liptak.

Jerry Maglio, executive vice president of marketing at Daniels & Associates, says superstations "have always occupied a major position" in the industry, especially on systems that are far away from urban areas. And their larger reach helps them acquire better programming, such as Turner's NBA package.

But there is evidence that the hold of superstations is waning. To Bob Clasen, president of Comcast Cable, superstations "are less important than they were five or seven years ago. It's nice to have

a general purpose broadcaster," he says, "because the format is something the subscriber is comfortable with. But they are less valuable to us because so many of the syndicated shows are migrating to other cable delivered services." Even sports, says Clasen, are migrating to ESPN or regional cable sports services.

Larry Higby, senior vice president, marketing for Times Mirror Cable agrees. "They still are an important part of our programming, but I don't think we live and die by them," Higby says. "There is some programming that's still unique to those services, particularly with WTBS and some of their basketball and some of their film properties that make them a valuable piece of programming. And in our subscriber surveys they continue to score quite well as one of the better-liked services." But Higby does not see superstations proliferating. "Channel capacity is so tight," he says, and "we're looking for unique breakthrough programming that's clearly differentiated right now. I'm not sure how strongly the superstations fall into that category."

The fate of superstations on cable will largely be determined by what happens at the FCC in terms of reinstituting the syndicated exclusivity rules. (A court challenge is likely if reinstitution occurs.) Even the prospect of their return leaves cable operators outraged. All agree it would be a nightmare to explain to subscribers.

Liptak is adamant on what the return of syndex would mean. "There is nothing in the history of the industry that has been as disruptive to the public as syndex. It's difficult if not impossible for the cable system to explain to subscribers what's going on. The problem is so immense, so difficult to communicate, so tough to insert programming that the best solution might be to remove those signals—then, as an industry, to create program services to replace them," Liptak says.

Colony Communications has looked at the specifics of what the return of syndex would mean. According to Charlie Townsend, president of Colony, 80% of WPIX would qualify for duplication, as would probably 50% to 60% of WTBS in Colony's New England systems. (Colony is dropping WWOR on Jan. 1 and adding WTBS). "All the prime time stuff goes," Townsend says. "My guess is that if stations require us [to blackout programming], we'd drop all the distant independents," he says. That may not be a popular decision since those stations traditionally are ranked first or second in Colony's subscriber satisfaction surveys. "The varied formats don't rate as high," he says.

Daniels would also lean towards dropping signals. "Subscribers don't like the blackout," says Maglio, and the prospect of syndex's return would force Daniels to look at "what we might elimi-

nate."

But the prospect of blacking out portions of signals is not a universal anathema. Notwithstanding a lawsuit, if syndex returns, Clasen says "I would imagine we'd be back in the substitution business." There would be some consideration to dropping service, he says. But with advances in satellite technology, Clasen adds, "I think cable would be able to do it [blackout programming] much more efficiently." There is plenty of product available to substitute, he says. But even with those changes and new additions, he says, "It would be very difficult to explain to the consumer."

□

"We're very pleased with the business so far," says SBN President Kazie Metzger. "There's a huge market need for network signals." The company's three-network package retails for \$49.95 per year, with dish dealers getting a 10% discount and equipment distributors a 20% discount. It sells to third party packagers, such as the National Rural Telecommunication Cooperative. Although most of its business is directed toward the TVRO market, SBN has sold its package to some small rural cable systems. The cable operator pays roughly 15 cents per subscriber per month for each signal.

SBN takes the affiliate signal off the air in New York, Chicago and Atlanta and uplinks them to Satcom F-2. The three networks and their affiliates have



Metzger

suits pending in New York and Atlanta charging SBN with copyright infringement. Papers have been filed for summary judgment in the New York case, and the parties are awaiting the judge's decision, SBN says. The Atlanta case is still in the discovery stage.

Metzger, in describing SBN's first year of operation, says "there was a great deal of confusion in the consumer marketplace concerning scrambling, and that's clearing up. The good strong, professional dish dealers are doing well," she says, as are the distributors. But Metzger does not see a further increase in superstations, affiliate or independent, beyond those being carried today.

"There's a nice complement of independents already up there," says Metzger. And between the Netlink and SBN packages, network programming is widely available.

The prospect of marketing broadcast signals and cable services to TVRO owners, in addition to cable systems, is what's driving Netlink's satellite program package. "Our analysis was that there only enough homes on cable to pay for the cost... Even with the WTCI being converted over, it still needs TVRO to make this thing a business," says Brian McCauley, vice president and general manager. The "thing" is Netlink's 13-signal package it is marketing to cable systems and white-area dish portions of the country. The package, which cable operators can retail for between \$11 and \$15, includes ESPN, WTBS, CBN, CNN, Headline News, USA, WWOR plus the six Denver Netlink signals—KCNC-TV (NBC), KUSA-TV (ABC), KMGH-TV (CBS), KRMA-TV (PBS), KDVR-TV (Fox) and KWGN-TV (independent). The Denver signals had been distributed via terrestrial microwave by Western Telecommunications Inc. to cable systems in the mountain states. Netlink, which is owned 40% by WTCI, 40% by Telecommunications Inc. and 20% by Rock Associates, will eventually supplant the microwave delivery system with satellite delivery of the signals to cable systems. In addition, it offers the TVRO package, handling the back-office chores of ordering, billing, etc., for cable operators.

Netlink has been taking orders since early last month from TVRO owners across the country. The original plan, says McCauley, was for concentration west of the Mississippi river. The service has been broadened to the entire country and McCauley says the response has been strong. "We've got tons of subscribers east of the Mississip-

pi," he says.

One thing Netlink found in its initial marketing, says McCauley, was that "cable operators wanted to be able to offer our package at a little lower price. The only way to do that was to drop some programming." What got dropped from the original plans were superstations WGN-TV, WPIX and KTVT, the three signals distributed by United Video. Those signals are a part of UV's SuperStar Connection package to TVRO owners, and that separate offering was confusing some TVRO owners, says McCauley. Netlink decided to end the confusion and lower the price of the package at the same time, he says.

Despite the proliferation of distant signals in the TVRO market, McCauley thinks it may have hit the high water mark there as well. "It's very expensive to pay for uplinking and transponder time and there is a limited market out there. I especially don't think you'll see additional networks. I think we and SBN are as many as will ever go up," he says.

Netlink is trying to avoid the legal traps that have ensnared SBN. It has an agreement with NBC by which it will make its NBC signal (KCNC-TV) available only to homes that cannot receive an NBC off air or off cable. Netlink has been trying to hammer out a similar deal with ABC and CBS.

The extra reach of WGN-TV's signal is a benefit to some advertisers, says WGN-TV General Manager Dennis Fitzsimon, but others, who are doing local promotions, for instance, don't want that promotion to spill out into other markets. Being a superstation doesn't matter much in programming matters, says Fitzsimon, except for barter syndicators that get a wider reach through superstations.

WGN-TV's superstation status costs its parent company money. In 1985, major league baseball began charging teams

whose games are carried on superstations an annual fee, and divided it among the league's 26 teams. Tribune Co. owns WGN-TV and the Chicago Cubs, which are featured on the station. Under its arrangement, Tribune is paying MLB around \$3 million a year.

WGN-TV sells national ads on its Cubs broadcast, Fitzsimon says, but whether the revenues from the ads are enough to cover the \$3 million payout cannot be determined. WGN-TV does not break out figures on local versus national revenue.

According to Lev Pope, president of WPIX, that station can't really exploit its superstation reach—11 million homes regionally, including the seven million it reaches off-air in New York. The extra reach does help barter advertisers, he says, "because they get credit wherever the homes are." The superstations made it possible for Tribune to produce the Capone specials on a barter basis. Tribune also markets Independent Network News nationwide, and the superstation status helps in the Nielsen national ratings.

WPIX carries the Yankees games and extra payments the team has to pay MLB are included in the station's rights pact, one of the largest in the industry. The MLB payment is based on the percentage of subs reached, and since Yankees get some of the money back, Pope thinks the exchange was close to even.

Pope points out that syndicated exclusivity is not necessarily in all program contracts today, and cited the Cosby Show as an example. "I don't think its going to happen," says Pope, in gauging the chances for syndex's return, "because it would turn the marketplace upside down all over again."

Satellite-delivered superstations have had a good run and, absent any radical changes in the compulsory license, they should be around for many years more. Their importance to cable, however, may have peaked. The expense of importation and the rise of more and better nonbroadcast cable services have cable operators thinking twice about adding them to their mix.

Reinvigorating the superstation concept to some extent is the growing home satellite market. Owners of backyard earth stations have demonstrated a willingness to pay for broadcast signals from distant markets. That willingness combined with low satellite costs could encourage the creation of even more superstations.

The worst news of all would be the reimposition of syndicated exclusivity, a regulatory silver bullet that could consign all superstations to history. But even if it's fired, judicial appeals are likely to keep the concept alive for several years to come.

In the end, some superstations could turn out to be the video equivalent of the DC-3: practical, reliable and indestructible.

Superstation universe at a glance

Superstation	Cable households	Carrier	Satellite
WTBS-TV Atlanta	41,600,000	Southern Sat.	Galaxy I
WGN-TV Chicago	22,500,000	United Video	Galaxy I
WWOR-TV New York	10,100,000	Eastern Micro.	Galaxy I
WPIX-TV New York	2,200,000	United Video	Satcom IV
KTVT-TV Dallas	1,900,000	United Video	Telstar 303
WXIA-TV (NBC) Atlanta	N/A	SBN	Satcom II-R
WBBM-TV (CBS) Chicago	N/A	SBN	Satcom II-R
WABC-TV (ABC) New York	N/A	SBN	Satcom II-R
KCNC-TV (NBC) Denver	N/A	Netlink	Satcom I-R
KUSA-TV (ABC) Denver	N/A	Netlink	Satcom I-R
KMGH-TV (CBS) Denver	N/A	Netlink	Satcom I-R
KRMA-TV (PBS) Denver	N/A	Netlink	Satcom I-R
KDVR-TV (Fox) Denver	N/A	Netlink	Satcom I-R
KWGN-TV (ind.) Denver	N/A	Netlink	Satcom I-R
WDIV-TV (NBC) Detroit	150,000	United Video	Anik D-1
WJBK-TV (CBS) Detroit	150,000	United Video	Anik D-1
WXYZ-TV (ABC) Detroit	150,000	United Video	Anik D-1
WTVS-TV (PBS) Detroit	150,000	United Video	Anik D-1

Network radio sales made few waves in 1987

Radio executives optimistic about 1988 advertising prospects with new buying season off to a good start

Nineteen eighty-seven will be a year "not to remember" for network radio sales. Most executives are projecting that advertising expenditures will be flat or slightly off from last year's finish of \$380,024,008. But virtually all network radio officials are forecasting a mid-to-high single-digit percentage increase in business for 1988, spurred on, in part, by a steady upfront buying season.

According to the Radio Network Association (RNA), network radio revenues for January through October are off 3% compared to the same period a year ago to \$309,818,432 (see chart). The RNA data shows network sales beginning the year on a high note with first quarter revenues posting a 10% gain over first quarter 1986, but the momentum began to stall in the spring with business in April dropping 8%. The RNA relies on sales information collected each month from different network companies by the accounting firm of Ernst & Whinney.

"Network radio is on the way back," said Bob Hosking, CBS Radio president. "Football sales have come back strong after the [NFL players] strike," Hosking said. (CBS Radio Network holds the NFL radio football package). "And the upfront season's pace is vigorous, especially with youth-oriented orders," he said.

"The year is like a roller coaster ride," said Lou Severine, senior vice president and director of sales for the ABC Radio Network, which is taking over the sales efforts for the Dallas-based Satellite Music Network (see story above). "Fourth-quarter sales have bounced back from third quarter, but the network marketplace this year will be flat to 2% off," Severine said.

To date this year, the third quarter has registered the largest percentage drop in

network expenditures (down 12%). Severine said a number of factors contributed to the downturn in third quarter buying including the continuation of agency consolidations. In the fourth quarter, he said, there are some new (brand) accounts and more ad dollars from existing accounts.

The stock market plunge of Oct. 19 apparently has not adversely impacted network radio's 1988 upfront buying season, which typically runs from November through January. "This [the stock market crash] was a concern I had a few weeks ago, but to this point the stock market decline has not affected the upfront season," Severine said.

He also said that the 1988 season is off to a "very good" start with several network radio advertisers already on board for next year. That list includes Sears, Anheuser-Busch, Warner-Lambert, Whirlpool and Campbell's Soup.

Severine noted, however, that last year's upfront season was also fairly strong. "It was the scatter market that hit a brick wall," he said. This year's upfront business, according to Severine, should total nearly \$160 million, which, he said, would be "slightly ahead" of last year. "Next year will not be a great year, but it will be a decent one," said Severine, who is projecting a 5% to 8% increase in business over 1987.

"We've seen a bit of a turnaround in advertising sales, industrywide," said John Tyler, SMN chairman, who agreed that fourth quarter 1987 will outperform the third quarter. Tyler said that although network radio posted some monthly gains this year, particularly during the first quarter, business was showing signs of getting "soft" at the end of the third quarter in 1986. (Network radio business for third quarter 1986 was up 25% over third quarter 1985 while the fourth quarter was up 8% over the previous fourth quarter, according to the RNA.)

"It's difficult to get an accurate picture of network radio business these

days as more of an emphasis is being placed on special programs by advertisers," said Norm Pattiz, Westwood One chairman. Westwood One owns and operates the Mutual Broadcasting System, the NBC Radio Networks and the Westwood One Radio Networks—the last offers entertainment-oriented programs. Pattiz noted that many syndicated program suppliers such as DIR Broadcasting and MJI Broadcasting do not report their figures to Ernst & Whinney. "If all the network and program syndicated dollars were counted (on a year-to-year basis), the business would probably finish flat to up compared to last year," he said.

"Why the third quarter was negatively affected had a lot to do with the network television's upfront buying season, which lasted longer than previous years due to the peoplemeter situation," said Pattiz. (Advertisers were seeking audience listening level guarantees from networks when the new Nielsen and AGB peoplemeter systems were launched in early September (BROADCASTING, Sept. 7)). Pattiz noted that network television upfront, which usually ends at the beginning of the third quarter, ran well into the third quarter, causing advertisers to hold back on other ad expenditures, namely radio.

Pattiz is predicting high single-digit percentage growth for network radio business next year. "Olympic and presidential years are generally good years for all radio advertising," he said. "Because network radio has a smaller advertising base than most other media, all it takes for double-digit growth is to have one or two new major accounts enter the medium," Pattiz said.

Nick Verbitsky, president of the United Stations Radio Networks, which handles the advertising sales efforts of the Transtar Radio Networks, sees 1987 finishing flat to a percentage point off compared to 1986. However, he is expecting 1988 to post a 7% to 8% gain. One of the reasons why 1987 sales pale in compari-



Pattiz



Severine



Verbitsky



Hosking



Tyler



Robinson

In·teg·ri·ty...

1: soundness 2: adherence to a code of moral values: utter sincerity, honesty and candor syn. honesty.

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The year it's been. Following is a month-by-month breakdown of 1987 network radio sales figures (January through October) compared to 1986. Data is from the Radio Network Association, which relies on sales information collected from eight different network companies by the accounting firm of Ernst & Whinney. Those companies are: ABC, CBS, NBC, Westwood (including Mutual), United Stations, Transtar Radio Networks, Satellite Music Network and the Sheridan Broadcasting Network.

Month	1987	1986	% change
January	\$25,250,587	\$21,381,351	18%
February	\$25,303,850	\$22,986,582	10%
March	\$30,589,573	\$29,372,355	4%
First Quarter	\$81,144,010	\$73,740,288	10%
April	\$29,980,511	\$32,480,130	-8%
May	\$34,780,841	\$35,296,364	-1%
June	\$32,780,097	\$35,257,823	-7%
Second Quarter	\$97,541,449	\$103,034,317	-5%
July	\$32,522,859	\$36,950,434	-12%
August	\$30,894,997	\$36,907,686	-16%
September	\$30,958,826	\$33,005,195	-6%
Third Quarter	\$94,376,682	\$106,863,315	-12%
October	\$36,756,291	\$36,112,892	2%
Total	\$309,818,432	\$319,750,812	-3%

son to last year, said Verbitsky, is because 1986 recorded an enormous amount of business. (Network radio sales for 1986 were up 16% over 1985 to \$380,024,808). Verbitsky also observed there were less automotive expenditures on the medium this year. "General Motors did not use as much network radio throughout 1987 as it did a year ago."

Verbitsky, chairman of the Radio Network Association, agreed with his colleagues that network radio's upfront

buying season is off to a "very strong" start.

Terry Robinson, Transtar chairman, is forecasting a "good economic year" along with a "good advertising year." Said Robinson: "The drop in the stock market was a function of the market being overvalued as well as a lack of progress on the federal budget and trade deficits. All the basic functions of the economy such as low inflation are still in check."

ABC selling SMN

Radio network will become exclusive sales agent for Dallas music network

The ABC Radio Network has reached an agreement in principle with Satellite Music Network, a publicly held, Dallas-based distributor of 24-hour music formats for radio, to become SMN's exclusive advertising sales agent. A definitive agreement between the two parties is expected to be signed this week in New York. At the same time, Capital Cities/ABC, parent company of the ABC Radio

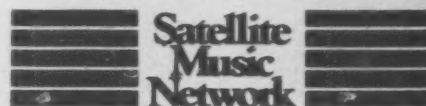
hour satellite-delivered format field, to represent Transtar in advertising sales with the United Stations' principal owners obtaining a minority interest in the company ("Top of the Week," Oct. 19). Both United and Transtar are privately held firms.

"In a soft market, consolidation is inevitable," said John Tyler, SMN chairman, in explaining the sales move. (Industrywide, network radio sales for Jan-

ABC RADIO NETWORKS

Network, said it will purchase a one-year warrant from SMN entitling Capcities/ABC to buy up to one million shares of SMN common stock at \$4 per share. (SMN was trading at \$3.25 per share over the counter at the close of business last Tuesday [Nov. 24]). Capcities/ABC said it will "seek to acquire" no more than 20% of SMN's common stock "from time to time" through both open market purchases and exercise of the warrant.

The ABC/Satellite Music Network deal comes just a month after the United Stations, a New York-based network radio company, signed a similar arrangement with the Transtar Radio Networks, SMN's primary competitor in the 24-



uary through October are pacing 3% behind the same period last year [see box above].) SMN's advertising revenues for the first nine months of 1987 were off 15% compared to the first three quarters of 1986 to \$6,987,657 while affiliate fees rose 2% to \$3,998,766. "The strategy to combine our talents with ABC's resources makes for a strong positioning statement in the network radio arena," Tyler said.

SMN, which was formed in the summer of 1981, has close to 960 signed affiliates. It currently offers eight full-time music formats: "Country Coast-to-Coast," "Stardust," "StarStation," "Pure Gold," "Heart & Soul,"

TL: 1.4 km S of Rt 10, Elsanor, FL; change ERP: 40 kw H&V; change HAAT: 429 m H&V. 30 35 18N 87 33 16W.

■ Clarion, IA, KRIT, 96.9 mhz—871116-Application (BPH870323IH) granted for Mod of CP (BPH860619ID) to make changes: TL: County Trunk P 59, Beaver Twpsh, IA; change HAAT: 176 m H&V. 42 40 18N 94 09 11W.

■ Sioux City, IA, KTFC, 103.3 mhz—871112-Application (BPH870306IC) granted for CP to change ERP: 100 kw H&V; change HAAT: 82.5 m H&V & change type of antenna.

■ Charlevoix, MI, WKHQ-FM, 105.9 mhz—871116-Application (BPH870206IF) granted for CP to change HAAT: 305.9 m H&V.

■ Los Lunas, NM, KBBU, 102.3 mhz—871113-Application (BPH870327ID) dismissed for Mod of CP to make changes: TL: bosque Farms Rodeo Grounds, off the intersection of North Loop and Arena Rte, Bosque Farms, NM; change HAAT: -36 m H&V. 34 51 57N 106 42 14W.

■ Columbia, NC, WRSF, 105.7 mhz—871116-Application (BPH870302OE) granted for CP to change HAAT: 301 m H&V.

■ Portland, OR, KPQD-FM, 93.7 mhz—871110-Application (BPH870302IX) granted for CP to make changes: TL: 160 NW Miller Rd, Portland, OR; change HAAT: 476.2 m H&V. 45 31 17N 122 45 04W.

■ Bristol, OK, KREK, 104.9 mhz—871117-Application (BPH860919IA) granted for CP to make changes: change ERP: 2.643 kw H&V; change HAAT: 351 ft H&V; major environmental action as defined under Sec. 1.1305. +

■ El Paso, TX, KLTG, 94.7 mhz—871116-Application (BPH870320OH) granted for CP to change TL: Mt. Franklin, El Paso, TX; change ERP: 100 kw H&V; HAAT: 364 m H&V and make changes in ant sys. 31 47 34N 106 28 48W.

■ Richmond, VA, WRFK-FM, 106.5 mhz—871116-Application (BPH870302NZ) granted for CP to change TL: 0.87 km S of US Rt 60, 9.6 km WSW of Richmond, VA; change ERP: 7.6 kw H&V; HAAT: 376 m H&V and make changes in ant sys. 37 30 14N 77 41 53W.

■ Ripon, WI, WYUF-FM, 95.9 mhz—871116-Application (BPH870331PU) granted for CP to make changes: change ERP: 2 kw H&V; change HAAT: 123 m H&V; change TL: on County Trunk M, 1.3 km N of Hwy 23, 4 km NW of Rosendale Village, Rosendale Twpsh., Fond Du Lac County, WI; change req: 96.1 mhz 43 49 10N 88 43 20W.

Actions

Commission Actions

■ Clovis, CA—Reopened the record in the Clovis, CA, TV Proceeding, added a misrepresentation issue against North Star Communications, Ltd., and remanded the case to the presiding Administrative Law Judge with instructions to issue a Supplemental Initial Decision. (BC Dockets 82-552-553 by MO&O [FCC 87-345] adopted Oct. 30 by the commission.)

■ FCC amends rules for AM stations to allow qualifying daytime-only stations to operate on a full-time basis—MM DOCKET 87-131 (Report DC-1045, Action in Docket Case) Amended AM technical rules to allow qualifying daytime-only AM stations on regional channels and on 940 kHz and 1550 kHz to operate full time, provided such operation complies with applicable interference protection requirements. Action by the commission Nov. 18 by R&O (FCC 87-356).

Staff Actions

■ Mt. Vernon, KY—Designated for hearing the applications of Cochran-Smith Broadcasting, Inc., William S. Daugherty III and Rockcastle Broadcasting for an FM station on Channel 275A (102.9 MHz) at Mt. Vernon. (MM Docket 87-497 by Order [DA 87-1590] adopted Oct. 30 by the Chief, Audio Services Division, Mass Media Bureau.)

■ Ferndale, CA—Designated for hearing, the applications of Betty Bennett and M. Keith Allgood for a new FM station on Channel 257A (99.3 MHz) at Ferndale. (MM Docket 87-513 by Order [DA 87-1644] adopted Nov. 9 by the Chief, Audio Services Division, Mass Media Bureau.)

■ Selbyville, DE—Designated for hearing, 10 mutually exclusive applications for a new FM station on Channel 250A (97.9 MHz) at Selbyville. (MM Docket 87-504 by Order [DA 87-1608] adopted Nov. 3 by the Chief, Audio Services Division.)

■ Sault Ste. Marie, MI—Designated for hearing, the applications of Twin City Broadcasting, Inc. and Central Michigan University for a new FM station on Channel 252A (98.3 MHz) at Sault Ste. Marie. (MM Docket 87-498 by Order [DA 87-1630] adopted Oct. 30 by the Chief, Audio Services Division.)

■ Nashua, NH—Designated for hearing, the applications of Nashua Educational Broadcasting Foundation and Family Stations, Inc. for a new noncommercial educational FM station on Channel 202A (88.3 MHz) at Nashua. (MM Docket 87-515 by Order [DA 87-1646] adopted Nov. 9 by the Chief, Audio Services Division.)

■ Gaston, NC—Designated for hearing, the applications of George W. Draper, Jr., Keith A. Smith and M & S Broadcasting for a new FM station on Channel 250A (97.9 MHz) at Gaston. (MM Docket 87-514 by Order [DA 87-1645] adopted Nov. 9 by the Chief, Audio Services Division.)

■ Edinboro, PA—Designated for hearing, seven mutually exclusive applications for a new FM station on Channel 250A (97.9 MHz) at Edinboro. (MM Docket 87-511 by Order [DA 87-1618] adopted Nov. 4 by the Chief, Audio Services Division.)

ALJ Actions

■ Denver, CO—Conditionally granted the application of Lomas de Oro Broadcasting for a new TV station on Channel 50 at Denver and denied the competing applications of Gali Communications, Inc., Urban Minority Broadcasting Institute, Inc., Stanly Group Broadcasting, Inc., David H. Wagner d/b/a Denver Communications, Continental Divide Television, Ltd., and Amador Broadcasting Limited. (MM Docket 86-180 by ID [FCC 87D-39] issued Nov. 9 by ALJ Joseph Stimer.)

By the general counsel on date shown:

■ Austin, TX (Capital City Community Interests, Inc., et al.) TV Proceeding—Approved settlement agreement and dismissed the applications of Capital City Community Interests, Inc., Television 54 Corp., ATV Associates, Inc., and DB Broadcasting, Inc. Granted the amended application of Balcones Broadcasting Limited for a new commercial television station at Austin; and terminated the Proceeding. (By Order, Oct. 30, FCC 87I-107) (MM Dockets 84-923, et al.).

By The Review Board on dates shown:

■ Omaha, NE (Omaha Channel 54 Broadcasting Group, Limited Partnership and Omaha Telecasters, Inc.) TV Proceeding—Scheduled oral argument for Dec. 4 at 10:00 a.m., Room 235, 2000 L St., NW, on exceptions to the Initial Decision of Deputy Chief ALJ James F. Tierney [FCC 87D-28, released Aug. 13, 1987] denying both the applications of Omaha Channel 54 Broadcasting and Omaha Telecasters for a new UHF television station on Channel 54 at Omaha. Each party has 20 minutes for argument and each may reserve part of that time for rebuttal. (By Letter, Nov. 3) (MM Docket 85-170).

■ Memphis, TN (Burwood Broadcasting of Memphis, Ltd., et al.) TV Proceeding—Approved settlement agreements and dismissed the applications of Burwood Broadcasting of Memphis, Ltd. and EAM Broadcasting Co. of Memphis;

granted the application of Kyles Broadcasting, Ltd. for a new commercial television station at Memphis; and terminated the proceeding. (By Order, [FCC 87R-61] Nov. 16) (MM Docket 85-205).

By Chief ALJ Thomas B. Fitzpatrick On Dates Shown:

■ Oakhurst, CA (Larry Ward Gamble and Ranjack Radio) AM Proceeding—Approved settlement and dismissed with prejudice the application of Ranjack Radio; granted the application of Larry Ward Gamble for a new AM station at Oakhurst; and terminated the proceeding. (By MO&O, Nov. 10) (MM Docket 87-427).

■ Porterville, CA (Garcia Communications and Arthur C. Kralowec) TV Proceeding—Designated ALJ Joseph P. Gonzalez to preside in proceeding. Scheduled prehearing conference for Jan. 14 and hearing for Feb. 18, 1988. (By Order, Nov. 4) (MM Docket 87489).

■ Destin, FL (Sharon S. Smith, et al.) TV Proceeding—Designated ALJ Richard L. Sippel to preside in proceeding. Scheduled prehearing conference for Jan. 13 and hearing for Feb. 17, 1988. (By Order, Nov. 4) (MM Docket 87-488).

■ Solana, FL (Central Radio Communications, Inc., et al.) FM Proceeding—Designated ALJ Edward J. Kuhlmann to preside in proceeding. Scheduled prehearing conference for Jan. 11 and hearing for Feb. 10, 1988. (By Order, Nov. 5) (MM Docket 87-464).

■ Griffin, GA (WGRI Radio Incorporated [WGRI(AM)]) Show Cause Proceeding—Denied request by Metropolitan Broadcasting Corp. for extraordinary relief under distress sale policy; granted motion by the Mass Media Bureau and terminated hearing and certified proceeding to the commission. (By Order, Nov. 16) (MM Docket 87-351).

■ Casey, IL (Ford F.M., Inc. and Casey Broadcast Group, Inc.) FM Proceeding—Designated ALJ Walter C. Miller to preside in proceeding. Scheduled prehearing conference for Feb. 5 and hearing for March 21, 1988. (By Order, Nov. 4) (MM Docket 87-476).

■ Harbor Springs, MI (Running Rhodes, Inc. and Patricia Ann Mason) FM Proceeding—Designated ALJ John M. Frysiak to preside in proceeding. Scheduled prehearing conference for Jan. 13 and hearing for Feb. 17, 1988. (By Order, Nov. 4) (MM Docket 87-466).

■ New Prague, MN (Kingsley H. Murphy, Jr., et al.) FM Proceeding—Designated Chief ALJ Thomas B. Fitzpatrick to preside in proceeding. Scheduled prehearing conference for Jan. 12 and hearing for Feb. 11, 1988. (By Order, Nov. 3) (MM Docket 87477).

■ Indianola, MS (Walter Gray Gilbert and Minority Broadcasting Corporation) FM Proceeding—Designated ALJ Walter C. Miller to preside in proceeding. Scheduled prehearing conference for Feb. 5 and hearing for March 24, 1988. (By Order, Nov. 4) (MM Docket 87-492).

■ Las Vegas (Nevada Number One Radio Co., et al.) FM Proceeding—Designated ALJ Edward Lutton to preside in proceeding. Scheduled prehearing conference for Jan. 12 and hearing for Feb. 16, 1988. (By Order, Oct. 30) (MM Docket 87-462).

■ Paris, TX (G & D Communications, Inc., et al.) TV Proceeding—Designated ALJ Joseph Stimer to preside in proceeding. Scheduled prehearing conference for Jan. 19 and hearing for Feb. 18, 1988. (By Order, Nov. 3) (MM Docket 87-490).

By Deputy Chief ALJ James F. Tierney on dates shown:

■ Corydon, IN (PN Radio Company and Lifestyles, Inc.) FM Proceeding—Approved settlement agreement between PN Radio and Lifestyles, Inc. dismissed with prejudice the application PN Radio; granted the application of Lifestyles for a new FM station on Channel 243A (96.5 MHz) at Corydon; and terminated the proceeding. (By MO&O, Nov. 18) (MM Docket 87-237).

■ Ashland, KY (Harry J. Turner, et al.) TV Proceeding—Granted petition by Video Image Productions, Inc., and dismissed with prejudice the application of Harry J. Turner and Calvin Ross for failure to prosecute; granted the application of Video Image for a new UHF television station on Channel 50 at Ashland; and terminated the proceeding. (By MO&O, Nov. 9) (MM Docket 87-289).

By ALJ Joseph Chachkin on dates shown:

■ Twenty-nine Palms, CA (John Michale Bosquez, et al.) TV Proceeding—Dismissed with prejudice the applications of John Michael Bosquez and Twenty-nine Palms Broadcasting Corp. for failure to prosecute. (By Order, Nov. 17) (MM Docket 87-448).

■ Enfield, CT (A.B.C.D. Broadcasting Company, et al.) FM Proceeding—Granted request by Manuel and Maria Angelo and dismissed their application with prejudice. (By Order, Nov. 18) (MM Docket 87-461).

■ Marco, FL (Rebecca Radio of Marco, et al.) FM Proceeding—Approved settlement agreement among Brenda R. Tanger, Susan G. and William R. Gaston, and Affirmative Broadcasting Corp. and dismissed with prejudice the application of Brenda R. Tanger. (By MO&O, Nov. 17) (MM Docket 87-244).

Summary of broadcasting as of Sept. 30, 1987

Service	On Air	CP's	Total *
Commercial AM	4,893	170	5,063
Commercial FM	3,999	418	4,417
Educational FM	1,283	173	1,456
Total Radio	10,175	761	10,936
FM translators	1,115	766	1,881
Commercial VHF TV	543	23	566
Commercial UHF TV	463	222	685
Educational VHF TV	115	3	118
Educational UHF TV	203	25	228
Total TV	1,324	273	1,597
VHF LPTV	247	74	321
UHF LPTV	162	136	298
Total LPTV	409	210	619
VHF translators	2,981	145	3,126
UHF translators	1,998	293	2,291
ITFS	250	114	364
Low-power auxiliary	824	0	824
TV auxiliaries	7,430	205	7,635
UHF translator/boosters	6	0	6
Experimental TV	3	5	8
Remote pickup	12,338	53	12,391
Aural STL & intercity relay	2,836	166	3,002

* Includes off-air licenses.